

COMPARISON OF DIFFERENCES BETWEEN H.R. 2851 AND H.R. 2873 AND
RETIREMENT ACT OF 1930

Provision	Retirement Act of 1930	H.R. 2851 and H.R. 2873
1. Deposits	accrued interest charged at 4% of sums to Dec., 1947; 3% thereafter	3% interest accrues
2. Optional retirement eligibility	a. age 60 & 30 yrs. service b. age 62 & 15 yrs. service c. age 55 & 30 yrs. service with reduced annuity	a. 60 & 15 yrs. service b. age 55 & 30 yrs. service with reduced annuity
3. Time limit for filing disability application	within 6 months; within 1 yr. in certain cases	within 1 yr.
4. Immediate retirement after involuntary separation	25 yrs. service (any age)	a. 25 yrs. service (any age) b. 20 yrs. service & age <u>50</u>
5. Computation of annuities	a. 1½% of average salary for highest, consecutive 5 yrs. X total service, or b. 1% of average salary for highest, consecutive 5 yrs. & \$25 X total service	a. Same b. 1% of average salary for highest, consecutive 5 yrs. & \$30 X total service c. <u>Minimum--in cases of disability and in computations of employee annuities for purpose of figuring widows' annuity, the lesser of (1) 40% of average salary or (2) sum obtained by increasing total service of employee for computation purposes by period between separation and date becomes age 60</u>
6. Reduced annuity & benefit to person named	named person must have insurable interest in annuitant	no provision
7. Survivor annuities by operation of law	employee or retiree must have minimum of 5 yrs. civilian service	insured employee must have <u>1½ yrs.</u> civilian service preceding his death

8. Amt. of annuities of surviving child of employee or retiree
- a. If widow survives, least of:
 - (1) $\frac{1}{2}$ widow's benefit
 - (2) $900 \div$ number of children
 - (3) or \$360
 - b. if no widow survives, least of:
 - (1) amt. equal to widow's benefit if she had survived
 - (2) $\$1,200 \div$ number of children
 - (3) or \$480
- \$720, but not to exceed 40% of employee's or retiree's average salary
9. Conditions of eligibility for annuity by surviving widow
- one condition is that the widow be married at least 2 yrs. immediately preceding person's death or mother of his child
 - condition is 1 yr. or mother of child
10. Lump-sum benefits
- a. payment of any balance remaining after termination of all annuity claims consisting of unexpended deductions & accrued interest (at 4% to Dec. 1947 & 3% thereafter)
 - a. payment of unrefunded amt. consisting of deductions to Jan. 1952; deposits, less interest to Jan. 1952; and amt. equal to 6% of annual rate (compute by averaging salary rates after Jan. 1952, with each rate weighted by time it was in effect) X total service after Jan. 1952.
 - b. employee less than 5 yrs. service - refund only; 5-20 yrs. - optional; over 20 yrs. - no refund, annuity only
 - b. any employee separated before eligibility for immediate annuity shall be paid lump-sum credit. Receipt of payment does not void surviving children and widow benefits if he dies (an insured employee is one who has completed $1\frac{1}{2}$ yrs. of civilian service within 3 yrs. immediately preceding his death.)

RESTRICTED

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| 11. Re-employment of annuitants over age 60 | annuitant must have special qualifications | annuitant must have special qualifications and <u>serves at will of appointing authority</u> |
| 12. Adjustment of prior rights | | <ul style="list-style-type: none">a. each annuitant or person entitled to annuity as of enactment of Act will receive increase of \$160+\$16 for each 2 full months between beginning of annuity & date of this Act. Maximum increase not to exceed \$500 nor increase above that which causes total annuity over \$2800b. survivor annuity, except for children not designated by annuitant, increased \$160c. Survivor annuity commencing after Act, based on service of former employee who terminated before date of Act, increased \$160d. child annuity, however, that is based on service and not election of employee increased to \$720. Maximum not to exceed \$1440 divided by number of children receiving annuitye. employees who acquire title to annuity and separate before date of Act shall have amount of annuity determined by Act less $\frac{1}{2}\%$ for each full month under age 62 |
| 13. Administration - Board of Actuaries | CSC to select 3 actuaries, one of whom shall be the government actuary | no requirement for appointment of government actuary |

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